Q. **Reference: Refurbish Aluminum Towers – TL212 (2027–2028)**

It is stated (page 8) “*Due to the geographic location of TL212, this transmission line is regularly exposed to heavy salt spray and pollutant contamination from the refinery in Come By Chance*.”

a) What pollutants are emitted from the refinery?

b) Can Hydro adjust the specifically assigned charges associated with the refinery to reflect the cost caused by the pollutants?

c) Why should other ratepayers pay for damages specifically caused by one customer?

A. **a)** Newfoundland and Labrador Hydro's ("Hydro") reference to pollutant contamination is as a descriptor of the environmental conditions in the vicinity of Transmission Line 212 (“TL212”) that contribute to insulator contamination and accelerated asset deterioration. The statement is not intended to identify specific pollutants or attribute asset deterioration to any particular source.

b) Hydro does not specifically assign costs associated with TL212 to the refinery. The statement in the Application identifies environmental conditions affecting the transmission line and is not intended to attribute responsibility for asset deterioration or maintenance costs to any particular source. TL212 forms part of Hydro's integrated transmission system, and the costs of constructing, operating, and maintaining transmission assets are recovered in accordance with approved cost allocation and rate methodologies.

c) The statement in the Application identifies environmental conditions affecting the transmission line and does not attribute responsibility for asset deterioration or the resulting costs to any particular source. Cost responsibility for transmission assets is determined through Hydro's approved cost allocation and rate methodologies and is not based on assessments of whether particular environmental conditions or operating circumstances may contribute to asset deterioration. Any proposal to specifically assign costs would require consideration of the applicable legal, regulatory, and cost allocation principles.